

CITY COUNCIL MINUTES
January 4, 2008
SPECIAL SESSION

The Special Session of the Auburn City Council was held in the Council Chambers, City Hall, 1225 Lincoln Way, Auburn, California on Friday, January 4, 2008 at 6:00 p.m. with Mayor Keith Nesbitt presiding and City Clerk Joseph G.R. Labrie recording the minutes.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL:

Council Members Present: Bob Snyder, Kevin Hanley, J. M. Holmes, Bridget Powers, Keith Nesbitt

Council Members Absent: None

Staff Members Present: City Manager Robert Richardson, Assistant Planner Reg Murray, Administrative Services Director Andy Heath

1. **Public Comment**

Mayor Nesbitt commended the Public Works staff for their work in today's storm.

COUNCIL BUSINESS

2. **Application for State Community Development Block Grant Funds for the Revolving Loan Fund**

Assistant Planner Murray introduced the item for grant application. He said that the City will be able to apply for a grant for additional funding for the revolving loan fund for CDBG. He said the City will be able to apply for a \$500,000 grant that will replenish the funds for the Business Loan Fund account. The monies will be used for business loans within the City.

Council Member Holmes said that this has been a revolving loan fund from 1993 to current time and presumably some of the loans have been repaid or are in the process of being repaid. He asked for an accounting of those loans. Brent Smith, President and CEO of the Sierra Economic Development Corporation, stated that he did not have exact numbers of

the loan program. However, he stated at the present time the majority of loans have been repaid, there are no delinquencies, and remaining funds have been committed. He said there are more clients in the community who would like to apply for loans, and, therefore, a need for additional funds.

Administrative Services Manager Andy Heath advised that at present there are six outstanding loans and the amount remaining in the CDBG fund is approximately \$40,000. He also provided the Council with the names of those businesses that currently have loans with the City.

Mayor Nesbitt asked the City Manager to keep the Council informed of deadlines as they approach so that the Council will be aware of the timeline.

By **RESOLUTION 08-1** approve the application and contract execution for funding from the Economic Development Allocation of the State Community Development Block Grant (CDBG) Program and authorize the execution of a grant agreement and any amendments thereto with the State of California for the purposes of the grant. **MOTION: Holmes/ Powers/Approved 5:0**

ADJOURNMENT

Mayor Nesbitt, without objection, adjourned the meeting at 6:13 p.m.

Keith Nesbitt, Mayor

Joseph G. R. Labrie, City Clerk